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AUG 29 1994

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D. C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In re )  
 )  
Amendment of Part 74 of the ) MM Docket No. 93-24  
Commission's Rules With )  
Regard to the Instructional )  
Television Fixed Service )

COMMENTS

Pioneer Telephone Cooperative, Inc. ("Pioneer"), by its attorney, hereby submit these comments on the Federal Communications Commission's Further Notice of Proposed Rulemaking ("Notice") in the above-captioned proceeding. The Commission proposes to amend its rules for processing Instructional Television Fixed Service ("ITFS") applications.

1. Pioneer is a licensed commercial wireless cable operator working with ITFS eligibles in rural Oklahoma to foster delivery of educational programming over wireless cable. As the Commission is aware, many ITFS applicants would not be able to pursue wireless educational programming without the financial support of commercial wireless cable operators. Commercial wireless cable support is particularly important in rural areas where residents are often at great distances from educational institutions and therefore ITFS is an invaluable service to these communities.

2. The Commission has proposed a system of filing windows for ITFS applicants in place of the current "A/B cut-off" system. In its Notice, the Commission indicated that filing windows require only one review of the application, whereas under the cut-off system, two separate reviews are required; and therefore under a

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filling window scheme, the ITFS licensing process would be more efficient. On that basis Pioneer supports revisions to the current processing scheme, such as filing windows, that will speed the dissemination of ITFS licenses.

3. Pioneer also commends the Commission for proposing safeguards to limit abuse of the application process via license speculation and warehousing of frequencies. The Commission's efforts will enable serious ITFS eligibles to obtain licenses to serve their areas unimpeded by a bottleneck of applications from entities that have no intention of providing the service, but instead seek to profit from license speculation.

4. The Commission's objective of fostering an application process that results in licensing applicants that are serious about providing ITFS service would also be served by affording existing ITFS licensees an opportunity to expand their systems in advance of applicants that do not have a presence in the area.

5. The Commission has proposed a similar preference for incumbent operators in the commercial wireless cable environment. The Commission recognized that in order to adequately serve their communities of interest and remain viable, Multipoint Distribution Service ("MDS") systems needed sufficient channel capacity. For that reason, the FCC favored allowing incumbent wireless cable operators to apply for additional channels in advance of lifting the current freeze on new MDS applications for non-incumbents. A similar preference for incumbent ITFS licensees/operators would enhance the value and stability of existing licensed ITFS systems.

6. In the ITFS environment, the Commission has partially lifted the application "freeze" in order to allow existing ITFS entities to file major modifications of their facilities. The Commission made such an adjustment in order to "ease the burden that the freeze has caused to educational institutions that seek to alter their existing facilities." (Notice at para. 43) The Commission should similarly allow these entities to expand existing facilities.

7. A head-start for existing licensees is also consistent with a succession of actions by the Commission to process wireless cable (MDS/Multichannel MDS) applications on a service area basis whenever possible. In recent years, the Commission staff has made efforts to process multiple MDS/MMDS applications for the same service area relatively simultaneously in recognition of the fact that it would reduce the provider's construction costs, minimize the FCC's processing time and generally benefit the public. The FCC also eliminated ownership restrictions that limited licensees to one H-Group channel and one Multipoint MDS channel group per service area in response to practical concerns about constructing and operating a system with a full complement of video programming.

8. Permitting entities to expand their ITFS systems will not only have a direct benefit to students earning educational credit, but it will also benefit the community. By improving the economic viability of the commercial wireless cable systems that lease channel capacity from ITFS licensees, these entities are able to offer the full complement of commercial programming to their customers. Many rural areas cannot support more than one wireless

cable provider, and thus it is only logical to afford the existing provider the opportunity to build one viable system. Also, rural communities have traditionally looked to their local utilities to meet their communications needs, particularly when competitive providers did not find rural areas profitable enough to serve. As a result, utilities in these areas, such as Pioneer, have often undertaken to provide video programming service on the basis of its value to the community as well as on the basis of its economic potential.

9. Processing applications of existing ITFS licensees on a priority basis is therefore consistent with the Commission's approach to processing wireless cable applications generally. It also makes eminent good sense from a public interest perspective because it increases the economic viability of an ITFS system operating in a rural area and thus increases the educational opportunities for residents in that area. Further, a licensing process which promotes the economic well-being of commercial wireless cable operations in tandem with ITFS systems in rural communities also serves the public interest.

10. In order to implement a preference for incumbent operators in a filing window environment, Pioneer proposes that the Commission establish an initial filing window for entities already holding ITFS licenses that wish to apply for additional channels in their service areas.

For all of the reasons stated above, Pioneer urges the Commission to process applications of existing ITFS systems for expansion on a priority basis.

Respectfully submitted,

PIONEER TELEPHONE COOPERATIVE, INC.

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August 29, 1994

**CERTIFICATE OF SERVICE**

I, R. Loren Bradon, a secretary in the law offices of Lukas, McGowan, Nace & Gutierrez, Chartered, do hereby certify that I have on this 29th day of August, 1994, sent by hand delivery, a copy of the foregoing COMMENTS to the following:

Barbara Kreisman, Chief  
Video Services Division  
Mass Media Bureau  
Federal Communications Commission  
1919 M Street, N. W., Room 702  
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R. Loren Bradon